

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2014-346-WS

IN RE:)	SUPPLEMENTAL INFORMATION
)	PRESENTED BY DIUC IN RESPONSE
Application of Daufuskie Island Utility)	TO DIRECTIVE 2018-324
Company, Inc. for Approval of an)	
Adjustment for Water and Sewer Rates,)	
Terms and Conditions.)	
_____)	

On April 4, 2018, the Applicant, Daufuskie Island Utility Company, Inc. (“DIUC”), filed a Motion for Reconsideration of Commission Directive 2018-208 wherein the Commission deferred ruling on DIUC’s request that it be permitted to release the Letter of Credit (“LOC”) obtained by DIUC shareholder Terry Lee to assist DIUC in securing a bond renewal when DIUC was collecting rates pending the outcome of its appeal of Commission Order 2015-846.

Via Directive Order 2018-324 the Commission permitted release of \$400,000 of the \$600,000 in personal funds used to secure the bond renewal. The Commission found that “the amount of unpaid refunds is much less than \$600,000 of personal funds that were used to secure the DIUC bond while the matter was on appeal.” Order at 1. The Commission further found that “If a dollar amount for the unpaid refunds is filed, the Commission should consider if and/or how much of Mr. Lee's personal funds must be retained.” Id.

DIUC now presents for the Commission’s consideration the attached letter of John F. Guastella demonstrating the dollar amount of unpaid refunds. See Exhibit 1 (including Appendices A and B showing the refunds, by account number, service area, and amount with

interest through June 30, 2018, that would be due to former availability and usage rate customers, respectively, assuming the current rates are not ultimately revised).¹ The letter explains:

As shown on appendix A, there are 35 former availability customers (similar account numbers represent one customer) for which there would be a total of \$2,597.75 in refunds and 37 former usage customers for which there would be \$4,847.88 in refunds, or a total of \$7,445.63 of refunds that could readily be paid with available cash on hand. Accordingly, there is no need to retain Mr. Lee's funds to assure that refunds would be made to former customers.

Id. at 2.

WHEREFORE, DIUC respectfully requests this Commission consider the additional information herewith provided and enter an order:

1. permitting the surety to release Bonds identified as S001-1973 and S001-1977 (copies previously filed in this docket as exhibits to Matter # 271116 dated June 30, 2017); and
2. permitting release of the \$600,000 of personal funds belonging to Mr. Lee that secured the SunTrust Letter of Credit for issuance of.

Respectfully submitted,

/s/ Thomas P. Gressette, Jr.

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May 15, 2018
Charleston, South Carolina

CERTIFICATE OF SERVICE

¹ Providing the attached correspondence is not a waiver of attorney-client privilege.

This is to certify that on May 15, 2018, I caused to be served upon the counsel of record named below a copy of the foregoing SUPPLEMENTAL INFORMATION PRESENTED BY DIUC IN RESPONSE TO DIRECTIVE 2018-324 electronic mail, as indicated.

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